DEWEY

THE SOCIALIZATION OF MANAGERS:
THE EFFECTS OF EXPECTATIONS ON PERFORMANCE*

David E. Berlew and Douglas T. Hall

May, 1965 #125-65

*This paper is intended to supersede working paper #81-64.

ACKNOWLEDGEMENTS

The materials which form the basis of this research were collected by the American Telephone and Telegraph Company as part of the Bell System's Management Progress Study. In this regard, we are indebted to Dr. Douglas Bray, Director of the Management Progress Study, and to W. D. Bachelis, H. W. Clarke, Jr., K. Connors, A. Derks, W. S. Felton, W. H. James, J. P. McKinney, D. B. Muirhead, W. Katkovsky, and J. F. Rychlak. The planning and execution of the research are the sole responsibility of the authors, and the conclusions reached do not necessarily reflect the views of the Management Progress Study.

This research was supported in part by grants from the Russell Sage Foundation, the Foundation for Research on Human Behavior, and the National Aeronautics and Space Administration.

This paper is concerned with the socialization of new managers by the companies they join. The focus will be on the effect of the company's initial expectations on the subsequent performance and success of the young manager.

To place our topic in perspective, a simple conceptual model of socialization focusing on the effects of company expectations on performance will be proposed. Following that, the results of an empirical investigation designed to test the central thesis of the model will be reported.

Expectations and Performance

One of the strongest determinants of our behavior is the expectations other people have of us. In the language of role theory, the behavior of a focal person is strongly influenced by the expectations of his significant others, sometimes referrred to as role senders. One of the primary role senders of the new manager is the company he has just joined; the expectations of the company constitute an important class of role forces impinging on him. To an important extent, the behavior of the new manager will be shaped by the expectations of his associates in the company (Schein, 1961; 1964).

Of particular interest to us are expectations regarding his contributions or performance. Role theory would lead us to expect that new managers assigned to relatively demanding jobs will perform better than those assigned to less demanding tasks. Direct evidence for this relationship between expectations and performance is provided by Stedry and Kay (1962) who found improvements in the performance of managers assigned difficult goals which they perceived as "challenging." Improved performance was not associated with goals perceived as "easy" or routine, or with goals perceived as "impossible."* Further support for the expectations-performance

* There is considerable evidence that expectations set so high they are impossible or even perceived as impossible to reach can be as debilitating to both short-run and long-run performance as expectations set so low they can be reached without effort. Overly high company expectations has not been included in the proposed model as a separate situation; however, the description of what happens when an individual fails to meet high initial expectations is directly relevant.

relationship is provided by Berlew and Hall's (1964b) finding that a manager tends to improve his performance when his contribution falls short of company expectations.

Success versus Failure in Meeting Performance Expectations

When an individual successfully meets performance expectations set for him, he is usually rewarded -- e.g., with approval, a good grade, an increase in salary, or a promotion. If the performance expectations are reasonably high (i.e., close to the person's own level of aspiration) he will also feel personal satisfaction at having achieved his goal. These positive outcomes will generally lead to a higher level of aspiration , or the internalization of higher personal standards of performance (Lewin, 1936) and a more positive attitude toward the job or task (Gebhard, 1948). Moreover, these higher performance standards and positive job attitudes will generalize to task activities that have some psychological relation to the initial activity (Lewin, 1936).

Failure to meet performance expectations has quite opposite effects from success. Failure is not rewarded and is frequently punished. If the performance expectations are high (i.e., close to level of aspiration), the individual will generally lower his personal performance goals or standards (Lewin, 1936), his level of performance will tend to drop off (Rao and Russell, 1960), and he will develop negative attitudes toward the task activity or job.

High versus Low Performance Expectations

Routine performance, even when no more than that is expected, is not generally rewarded. More important still, none of the results of successfully meeting performance standards described in the preceding section occursunless the task lies close to the upper limit of achievement. In other words, no feeling of success arises if the task is below a certain level of difficulty; the feeling of success occurs only if there is a chance for failure (Lewin, 1936). Without the feeling of success that results from meeting <u>high</u> expectations there is no internalization of high performance standards nor increase in perceived job attractiveness. Whatever positive effects result from meeting low performance expectations will be in response to external rewards which will probably be modest if theymaterialize at all.

When an individual fails to meet low performance expectations, the worst of

all possible situations, there will probably be a strong tendency to project blame outward in a desperate attempt to preserve some measure of self-esteem (Lewin, 1936).

Primacy and Company Expectations

Personality psychologists generally have assumed that attitudes or expectations formed early in life have important implications for later behavior and are more resistant to change then those which develop later in life. It may be instructive to draw an analogy between the socialization of a child and a young adult's entry into a business or industrial organization. The analogy suggests that very early in his organizational career an individual will develop enduring attitudes and aspirations which will have important effects on his future behavior. Of particular interest to us is the early development of performance standards and job attitudes. From the moment he enters the organization, a new manager is given cues with regard to the quality of performance that is expected and rewarded. The probability that these expectations or standards will be internalized is probably higher when the individual has just joined the organization and is searching for some definition of the reality of his new environment. If we can carry the analogy of children and new managers one step further, we would expect that one result of internalizing standards or expectations at an early stage is that subsequent cues, perhaps different from the initial ones, will make less of an impression. Stated another way, once an individual has defined for himself the expectations of his organizational environment and has adjusted himself to cope with them, he will be insensitive to cues that would require changes in his attitudes and behavior.

In field theory terms, when the new manager first enters an organization that portion of his life-space corresponding to the organization is blank. He will feel a strong need to define this area and develop constructs relating himself to it. As a new member, he is standing at the boundary of the organization, a very stressful location (Kahn, 1964), and he is motivated to reduce this conflict by becoming incorporated into the "interior" of the company. Being thus motivated to be accepted by this new social system and to make sense of the wealth of ambiguity surrounding him,

he is more receptive to cues from his environment than he ever will be again, and what he learns now will become the core of his organizational identity. In terms of Lewin's model of attitude change, the new manager is unfrozen and is searching for information and identification models on the basis of which he can change in the direction he feels the organization expects.

The hypothesis submitted to empirical test is derived directly from the proposed model: new managers given initial jobs that are demanding (and therefore challenging) will in the next several years perform better and be more successful than new managers given less demanding initial assignments.

METHOD

Subjects

All 62 subjects are college graduates hired originally as management trainees by two operating companies of the American Telephone and Telegraph Company. Forty-four subjects, hired in 1956, are presently management level employees of the Chesapeake and Potomac Telephone Company (C&P). An additional 18 subjects are young managers hired in 1957 by Bell of Pennsylvania (Pa.).* Most of the C&P and Pa. subjects joined their company directly from college; a few, however, were employed after completing a tour in the armed forces or a short period of employment in another company.

The Independent Variable

The independent variable is company expectations, defined as the type and quality of contribution expected of the employee by the company. This variable is intended to reflect the demands upon an employee which result from the specific job that he holds and from salient physical and social characteristics of his work environment. Thus, for example, the company may expect certain things from an employee because he is functioning as an installation foremen, but the company expects more than that if it assigns him to work under a difficult supervisor, or as senior telephone company manager in a small town, or makes him foreman of a crew that has proven difficult to handle.

A list of 18 categories was empirically formulated to reflect the variety of expectations that the companies have with regard to managerial employees. These categories, with short definitions, are presented in Table 1.**

Data regarding company expectations were derived from In-company and Follow-

---

* The sample size was determined by the number of AT&T Management Progress Study subjects hired as college graduates by C&P in 1956 and Pa. in 1957 still with their respective companies in 1962, for whom complete assessment and annual interview data were available.

** A coding manual with more complete definitions, scoring conventions, and scoring examples is available from the junior author.

Table 1

Categories of Company Expectations and Individual Contributions

1. Technical competence: the ability to perform non-social, job related tasks requiring some degree of technical knowledge and skill.
2. Learning capacity: the ability to learn the various aspects of a position while on the job.
3. Imagination: the ability to discover new methods of performing tasks; the ability to solve novel problems.
4. Persuasiveness: the ability to present effectively and convincingly a point of view (may be the point of view of the company, a department, a supervisor, or one's self). Persuasiveness should be differentiated from leadership or popularity.
5. Group membership skills: the ability to work productively with groups of people. A group may consist of individuals at different levels in the company or of individuals from outside the company.
6. Communication skills: the ability to make well-organized, clear presentations orally and in writing.
7. Supervisory skill: The ability to supervise and direct effectively the work of others.
8. Decision-making: the ability to make responsible decisions well without assistance from others.
9. Organizing ability: the ability to plan and organize the work efforts of one's self or others.
10. Time-energy commitment: the expenditure of time and energy for the benefit of the company.
11. Sacrifice of autonomy: the degree to which the employee accepts company demands that conflict with personal prerogative.
12. Sociability: the establishment and maintenance of pleasant social relationships with other members of the company off the job.
13. Acceptance of company norms: conformity to the folkways of the organization or work group on the job in areas not directly related to job performance.
14. Self-development: formal or informal education pursued outside of company time for purposes of increasing person's value to the company.
15. Maintenance of public image: employee, acting as formal or informal representative of the company, conveys a positive image of the company to outsiders.
16. Loyalty: accepting company values and goals as one's own; identification with the company.
17. Productivity: results; job output; the extent to which employee gets the job done.
18. Initiative: drive; self-motivation; the ability to see what should or must be done and to initiate appropriate activity.

up interview protocols. The In-company interviews were conducted annually with some member of the company's management (usually a middle-management personnel man) able to describe the job held by the subject during the preceding year, the personalities and management styles of his superiors, and the organizational and physical context in which he works.

The Follow-up interview is an annual two-to-three hour interview with the subject, conducted by a consulting psychologist, exploring such topics as job responsibilities, major sources of satisfaction or dissatisfaction, relationships with peers, subordinates, and superiors, career aspirations, salary, major occurrences in the past year, significant aspects of personal life, and health. Frequently, the subject's description of his job expanded upon that provided by the personnel manager and the coders' knowledge of positions in the Bell system; however, these data were used for scoring company expectations only when the coders were reasonably sure that the subject's comments were objective descriptions of the job environment.

The company's expectations of a subject in a given year were rated from 1 (low) to 3 (high) on each of the 18 categories and a Company Expectations Score was computed for each year though 1960 for all subjects (yielding four scores for each Pa. subject and five for each C&P manager). Using data for a single year drawn from the records of 15 subjects, two coders working independently obtained a reliability index (Spearmen rank order correlation) of .97 for Company Expectations Scores.

<u>Dependent Variables</u>

The dependent variables can be divided into Performance Criteria and Success Criteria. The various dependent variables and their intercorrelations are presented in Table 2.

<u>Success Criteria</u>. (1) 1962 Adjusted Salary: Each Subject was assigned a score equal to his monthly salary in 1962, corrected (within each company) for differences in starting salary.

(2) Global Appraisal: This variable reflects the company's estimation of a subject's overall performance and potential at the end of his fourth year (Pa.) or

Table 2

Intercorrelations of Performance and Success Measures for C&P Co. (N = 44)

Success Criteria	Success Criteria: 1962 Adj. Sal.	GA	SI	Performance Criteria: AP	OC	CC	PI
1. 1962 Adj. Salary	1.00	.68	.92	.56	.50	.48	.53
2. Global Appraisal		1.00	.92	.53	.60	.60	.65
3. Success Index			1.00	.60	.60	.59	.65
Performance Criteria							
4. Average Performance				1.00	.72	.53	.68
5. Over Contribution					1.00	.69	.92
6. Cumulative Contribution						1.00	.92
7. Performance Index							1.00

Note.--All correlations included in Table 2 exceed the 1% level of significance.

Table 3

Intercorrelations of Performance and Success Measures for Bell of Pa. (N = 18)

Success Criteria	Success Criteria: 1962 Adj. Sal.	GA	SI	Performance Criteria: AP	OC	CC	PI
1. 1962 Adj. Salary	1.00	.54	.88	.67	.47	.63	.63
2. Global Appraisal		1.00	.88	.76	.61	.58	.70
3. Success Index			1.00	.81	.62	.69	.76
Performance Criteria							
4. Average Performance				1.00	.73	.81	.91
5. Over Contribution					1.00	.85	.93
6. Cumulative Contribution						1.00	.95
7. Performance Index							1.00

Note.--All correlations included in Table 3 exceed the 1% level of significance.

fifth year (C&P) with the company. On the basis of data included in the fourth and fifth year In-company interviews, each subject was rated on a scale ranging from 1 (completely unsatisfactory performance) to 10 (outstanding performance). On a sample of 23 randomly selected subjects, two coders working independently obtained a reliability index (Spearman rank correlation) of .91.

(3) Success Index: This variable is the sum of standardized 1962 Adjusted Salary and Global Appraisal Scores, with each given equal weight.

Performance Criteria. (4) Average Performance: These scores reflect the company's overall appraisal of a man's performance for each year averaged across five years for C&P subjects and four years for Pa. subjects. Annual In-company interview data were used to rate each subject on a scale ranging from 1 (completely unsatisfactory performance) to 10 (outstanding performance). These yearly ratings were then averaged to obtain an Average Performance Score.

(5) Over Contributions: Each subject's contributions in a given year were rated using the same 18 categroies that were used to rate Company Expectations (see Table 1) and the same 1 to 3 rating scale. These 18 category scores were then summed to obtain a single Individual Contributions Score.* Each subject's Individual Contributions Score was then subtracted from his Company Expectations Score for the same year to obtain an index of whether he exceeded, met or fell short of his company's expectations of him in that year. Finally, these yearly indices were summed algebraically across four years for Pa. subjects and five years for C&P subjects to obtain an Over Contribution Score for each subject.

Annual In-company interview data were used as the primary data source for these ratings; however, if the Follow-up interviews provided relevant data that were not contradictory to In-company interview data and coders felts reasonably sure the data were objective, such data were also considered in arriving at a final contribu-

* Using data for a single year drawn from the records of 15 subjects, two coders working independently obtained a reliability index (Spearman rank correlation) of .97 for Individual Contribution Scores. (A detailed coding manual is available from the junior author.)

tion rating.

(6) Cumulative Contribution: A Cumulative Contribution Score was computed by summing the Individual Contributions Scores described above across the first four years for Pa. subjects and across the first five years for C&P subjects. Each subject's score reflects his overall contribution to his company in his first several years of employment.

(7) Performance Index: These scores were computed by summing each subject's standardized Average Performance, Over Contributions and Cumulative Contributions Scores, with each weighted equally.

Dependent Variable Intercorrelations

From the description of the various performance and success criteria it should be apparent that each is different in terms of either what it measures or the method of measurement.

The relatively high intercorrelations among these variables suggests that, while each may reflect something unique, they all share a sizable common variance. Results obtained using each criterion variable separately are reported in the following section.

Distribution Characteristics

The means and standard deviations of the variables described above are presented in Table 4. The distributions were plotted and found to be normal.

Table 4

Distribution Characteristics of the Independent and Dependent Variables

Variable	C&P Mean	C&P S. D.	Pa. Mean	Pa. S. D.
Company Expectations				
Year 1	35.8	3.22	36.8	1.92
Year 2	36.7	3.25	37.6	2.33
Year 3	36.6	3.12	37.1	1.63
Year 4	38.0	3.65	38.4	1.38
Year 5	38.3	3.40	---	---
Success Criteria				
1962 Adjusted Salary*	237.0	33.9	511.0	15.0
Global Appraisal	6.80	1.66	7.0	1.70
Success Index**	.040	1.85	.040	1.75
Performance Criteria				
Average Performance	3.65	1.34	3.7	1.10
Over Contribution	+3.77	7.93	+5.7	6.40
Cumulative Contribution	189.0	16.7	155.0	8.72
Performance Index**	.000	1.84	.000	2.79

* Adjusted Salary figures are in units of dollars per month. Because of the adjusting operation, the averages have only mathematical meaning; the <u>unadjusted</u> salary averages are, of course, appreciably higher.

** Ordinarily, indices computed as the sums of N independent standardized variables would have means of zero and standard deviations of $\sqrt{N}$. The means of the success indices are greater than zero because of computational rounding. The standard deviations are greater than $\sqrt{N}$ because the component variables are not independent.

RESULTS

The hypothesis to be tested is that new managers whose first jobs are highly demanding will perform better subsequently and be more successful than new managers initially assigned to less demanding jobs. Data bearing on the relationship between Company Expectations and performance over several years are presented in Tables 5 and 6; those bearing on the relationship between Company Expectations and later success are included in Tables 7 and 8. Data from the two companies are presented separately.

The results tend to support the hypothesis. The correlations indicate that C&P managers whose initial jobs were more demanding performed better over a four or five year period than those whose initial jobs were less demanding. Similarly, C&P college hires given demanding jobs in their first year with the company were more successful after several years than those given less demanding jobs.

The same relationships appear to hold for the Pa. Company, although not all of the key correlations between first year Company Expectations and the performance and success criteria reach statistical significance. However, the magnitude of the Pa. correlations is of the same order as that for C&P, suggesting that with a larger sample more of the correlation coefficients would have been statistically significant.

The correlations between the performance and successcriteria and Company Expectations for years other than the first year are also presented in Tables 5 through 8. What is notable is not that there is a relationship between Company Expectations and the criteria in years two through five, but that the correlationsfor the first year are on the average as high as those for later years.

At least two factors may be contributing to the significant correlations between first year Company Expectations and subsequent performance and success: (1) the company somehow managed to assign the best men to the most demanding jobs in the

Table 5

Correlations of Company Expectations, Years 1-5, with Total Performance Measures for the C&P Company (N = 44)

Company Expectations	Average Performance	Over Contribution	Cumulative Contributions	Performance Index
Year 1	.29*	.29*	.69**	.54**
Year 2	.16	.16	.61**	.42**
Year 3	.26*	.29*	.78**	.58**
Year 4	.14	.26*	.78**	.56**
Year 5	.16	.11	.55**	.36**

*p is less than .05 (one-tailed test)
**p is less than .01 (one-tailed test)

Table 6

Correlations of Company Expectations, Years 1-4, with Total Performance Measures for Bell of Pa. (N = 18)

Company Expectations	Average Performance	Over Contribution	Cumulative Contribution	Performance Index
Year 1	.24	.12	.46*	.29
Year 2	.18	.00	.39	.21
Year 3	.42*	.09	.46*	.35
Year 4	.58**	.45*	.53*	.56**

*p is less than .05 (one-tailed test)
**p is less than .01 (one-tailed test)

Table 7

Correlations of Company Expectations, Years 1-5, with Success Measures for the C&P Company (N = 44)

Company Expectations	1962 Adj. Sal.	Global Appraisal	Success Index
Year 1	.33*	.26*	.32*
Year 2	.20	.32*	.28*
Year 3	.23	.44**	.37**
Year 4	.14	.31*	.25*
Year 5	.32*	.28*	.33*

*p is less than .05 (one-tailed test)
**p is less than .01 (one-tailed test)

Table 8

Correlations of Company Expectations, Years 1-4, with Success Measures for Bell of Pa. (N = 18)

Company Expectations	1962 Adj. Sal.	Global Appraisal	Success Index
Year 1	.51*	.14	.37
Year 2	.02	-.14	-.07
Year 3	.36	.22	.33
Year 4	.59**	.59**	.68**

*p is less than .05 (one-tailed test)
**p is less than .01 (one-tailed test)

first year or (2) a demanding job in the first year <u>leads</u> to better performance and thus greater success in subsequent years. (These two possibilities are explored at some length in the Discussion which immediately follows this section.) However, after the first year an additional factor is operating which should greatly increase the correlations: the availability of performance feedback allows the company to assign men to jobs on the basis of past job performance. Thus, those who perform well will sooner or later be assigned to the more demanding jobs, whereas those whose performance is weak will be left where they are or reassigned to less demanding positions. As a result, Company Expectations and performance gradually should draw closer together. If we can assume that those who perform best will also receive the highest rewards (i.e., salary raises and promotions), then the correlations between Company Expectations and success should also increase.

To summarize, the significant correlations between later Company Expectations (i.e., after the first year) and the performance and success criteria do not come as a surprise because the natural selection process whereby the best men get channelled into the most responsible jobs has had time to function. However, the strong and consistent relationship between what the company <u>initially</u> expects of a new hire and his subsequent performance and success, a relationship that obtains before the natural selection process has had time to function, has far greater implications.

DISCUSSION

The results obtained appear to confirm the hypothesis and to provide at least very general support for the socialization model proposed. However, there are several issues that must be clarified before the implications of the findings are clear. Among these are the following: (1) Are new college hires with the most potential immediately identified by the company and assigned to the most challenging jobs? If so, then we can explain their subsequent high level performance ans success without recourse to any socialization model. (2) Does early assignment to a highly challenging job lead to success only because it increases the candidates' visibility to company executives and not because it leads to better performance? (3) Is a man's performance in his first job a more important determinant of his subsequent performance and success than the initial challenge he encounters?

These issues are not the only ones that can be raised regarding the socialization model proposed. However, these three are particularly relevant to the interpretation of the results presented in this paper, and for that reason each is discussed at some length below.

Personal Potential and Initial Company Expectations

There can be little doubt but that college hires with high potential will on the whole out-perform and be more successful than those with low potential. Granting this, if subjects assigned to the most challenging jobs are also those with highest potential, our results say nothing about the importance of early challenge (except perhaps that if the best men are put in the best jobs they will do better than the weaker men in the more routine jobs). However, it is the stated policy of the Bell System that all new hires are considered equal until their performance proves otherwise. If this policy was in effect for our subjects, and the most challenging jobs were randomly assigned to both gifted and less gifted candidates in the first year, then our results cannot be so easily dismissed.

To explore the possibility that the best men were initially assigned to the

most challenging jobs, correlations were run between 45 personality variables and subjects' first year Company Expectations scores. Among the 45 variables were biographical indices, scores on standard personality inventories and intelligence tests, and ratings by psychologistis on 25 variables representing qualities or skills considered relevant to managerial performance.*

None of the 45 product moment correlations were significant at the .01 level. However, four variables (inner work standards, tolerance of uncertainty, range of interests, and one of five intellignace test scores included) were positively correlated with first year Company Expectations at the .05 level of significance.**

Our conclution is that a stronger candidate may have occasionally been given the nod over another candidate for a particularly demanding initial assignment, but strong candidates were by no means systematically given the most demanding jobs when they first entered the company. It is worth noting that the operating companies did not have the personality data available to the authors when assigning new hires to jobs so that even if there has been a conscious attempt to match top candidates with the most challenging jobs, it would have been difficult to accomplish.

Visibility and Success

The second issue questions our assumption that the relationship between high first year Company Expectations and later success is mediated by the development of attitudes, i.e., the internalization of positive job attitudes and high performance standards, which lead to better performance. An alternative possibility is that high visibility is the effective intervening variable: that young managers who start out in the more responsible jobs are more visible to company executives, and thus have a

* These data were collected in connection with AT&T's Management Progress Study at or about the time the subjects joined the Bell System.

** Using these same data, as well as more refined indices of managerial aptitude and potential, the Management Progress Study staff was able to predict subsequent performance and success with a relatively high degree of accuracy. These results do not conflict with our findings, nor our argument. We are arguing that performance and success are the result of a variety of qualities and skills plus attitudes and performance standards learned on the job. Taken separately, both undoubtedly account for a portion of the variance in performance and success. However, when we fully unravel the mystery of the interaction between individual potential and the organizational environment optimal for utilizing and further developing that potential, our ability to predict and facilitate managerial performance and success will increase substantially.

higher probability of being successful regardless of their job performance.

It would be naive to argue that visibility is unrelated to success in most organizations. However, there is ample evidence to indicate that the visibility which stems from having an unusually demanding first assignment is not sufficient to account for the obtained results. The most obvious refutation lies in the fact that first year Company Expectations correlate as highly with performance during the first several years of a man's career as with his success at the end of that period. Even stronger evidence is obtained by correlating first year Company Expectations and the Success Index with the Performance Index partialled out. This yields a partial correlation coefficient of -.05 for C&P and an insignificant correlation of +.24 for Bell of Pa., indicating that the relationship between Company Expectations in the first year and success after six or seven years does not exist independent of performance during those years.

First Year Company Expectations versus First Year Performance

This leads us directly to the third issue, i.e., the possibility that a man's performance in his first year is a better predictor of his subsequent performance and success than how much the company expects of him. Relevant correlations of first year Company Expectations and first year performance measures with Performance and Success Indices are presented in Table 9. Both expectations and performance in the first year correlate consistently with later performance and success. The question of whether one is more important than the other is more difficult to answer and must inevitably include the elusive question of causality. Some relevant points can be made, however. (a) Measure of company expectations and individual performance in a given year are highly correlated. For example, first year Company Expectations and the Performance Index for the first year correlate .56 for C&P and .46 for Pa.* (b) If Company Expectations

* These correlations would be higher but for the inclusion of Over Contributions in the Performance Index. As might be expected, the correlation between how much the company expects of a manager and the degree to which his contribution exceeds those expectations is not high (.20 for C&P; .12 for Pa.).

Table 9

Correlations of First Year Company Expectations
and Performance Measures with Total Performance and Success Indices

	Performance Index		Success Index	
	C&P	Pa.	C&P	Pa.
First year Company Expectations	.54**	.29	.32*	.37
First year Performance Measures:				
Performance (year 1)	.39**	.74**	.27*	.62**
Contribution (year 1)	.60**	.63**	.29*	.46*
Over Contribution (year 1)	.37**	.67**	.07	.34
Performance Index (year 1)	.55**	.76**	.25*	.53*

*p is less than .05 (one-tailed test)
**p is less than .01 (one-tailed test)

exceed a man's contributions in a given year, he will tend to contribute more the following year (Berlew and Hall, 1964b). This strongly implies a causal relationship between expectations and contributions. (c) Partial correlations analyses have yielded mixed results. In one instance, the correlation between first year Company Expectaions and success after seven years with <u>first year</u> contributions (performance) partialled out was significant ($r = .26$; $p < .03$), whereas the same relationship with <u>Cumulative</u> Contributions partialled out dropped to a -.16 (Berlew and Hall, 1964a). This suggests that company expectations in the first year are important not only because they influence first year performance but also because they influence future performance. On the other hand, a partial correlation analysis of the relationships represented in Table 9 indicates that in the case of Bell of Pa., first year Company Expectations does not relate to either the Performance Index or the Success Index if performance in the first year is held constant.

What conclusions can we draw regarding the relative importance of the company's expectations and the new manager's performance in the first year? We can at least speculate that high first year company expectations will tend to encourage strong performance in the first year simply because people tend to do what is expected of them, and in subsequent years because young managers who meet high company expectations in the first year will internalize positive job attitudes and high performance performance standards. It should also follow that a new manager who meets the challenge of one highly demanding job subsequently will be given a more demanding job, and his level of contribution will rise as he responds to the company's growing expectaions of him.

On the other hand, either being assigned to an undemanding job or failing to meet the challenge of a demanding job in the first year may seriously jeopardize a new manager's subsequent performance and success. If he fails to meet high expectations he will not experience the internal and external rewards that can lead to the internalization of high performance standards and positive job attitudes. If he is given a job which demands little of him, whether he meets expectations or not he is

unlikely to win the recognition that can lead to positive job attitudes or the personal satisfaction that will facilitate the internalization of high performance standards. In either case, his failure to develop positive job attitudes means that he will respond primarily to external work incentives, and his lack of high personal standards of performance will lead him to do only as much as is expected of him.

The Critical First Year

Just how much importance should we attribute to a new manager's first year with an organization? It is doubtful that his work orientation is "fixed" in his first year, anymore than a child's personality is permanently set in his first few years of life. Corrective experiences are certainly within the realm of possibility.

However, psychologists interested in learning and socialization have become more and more aware of critical periods for learning, periods of often short duration when an organism is uniquely ready to develop or change in a certain way. Thus, if dogs do not have extensive contact with humans during a few crucial weeks in their puppyhood, it is difficult and sometimes even impossible to ever domesticate them (Scott, 1954). Similarly, there seems to be a critical period, probably between six and 18 months, when human infants must experience a close emotional relationship with another human or suffer consequences ranging from psychosis to an inability to ever establish a close emotional relationship with another person (Bowlby, 1951).

The situation of the new manager just entering upon a career in an organization is not as extreme as either of the examples cited. However, probably never again will he be so "unfrozen" and ready to learn as he is in his first year. For the sake of the individual, and for its own sake, no organization can afford to treat this "critical period" lightly.

An attempt to depict graphically the relationship between initial company expectations and subsequent performance is presented as Figure 1.

The results reported support the relationship between initial company expectations and performance; they do not bear directly on the intervening variables, i.e., success or failure in meeting expectations, rewards, and the development of

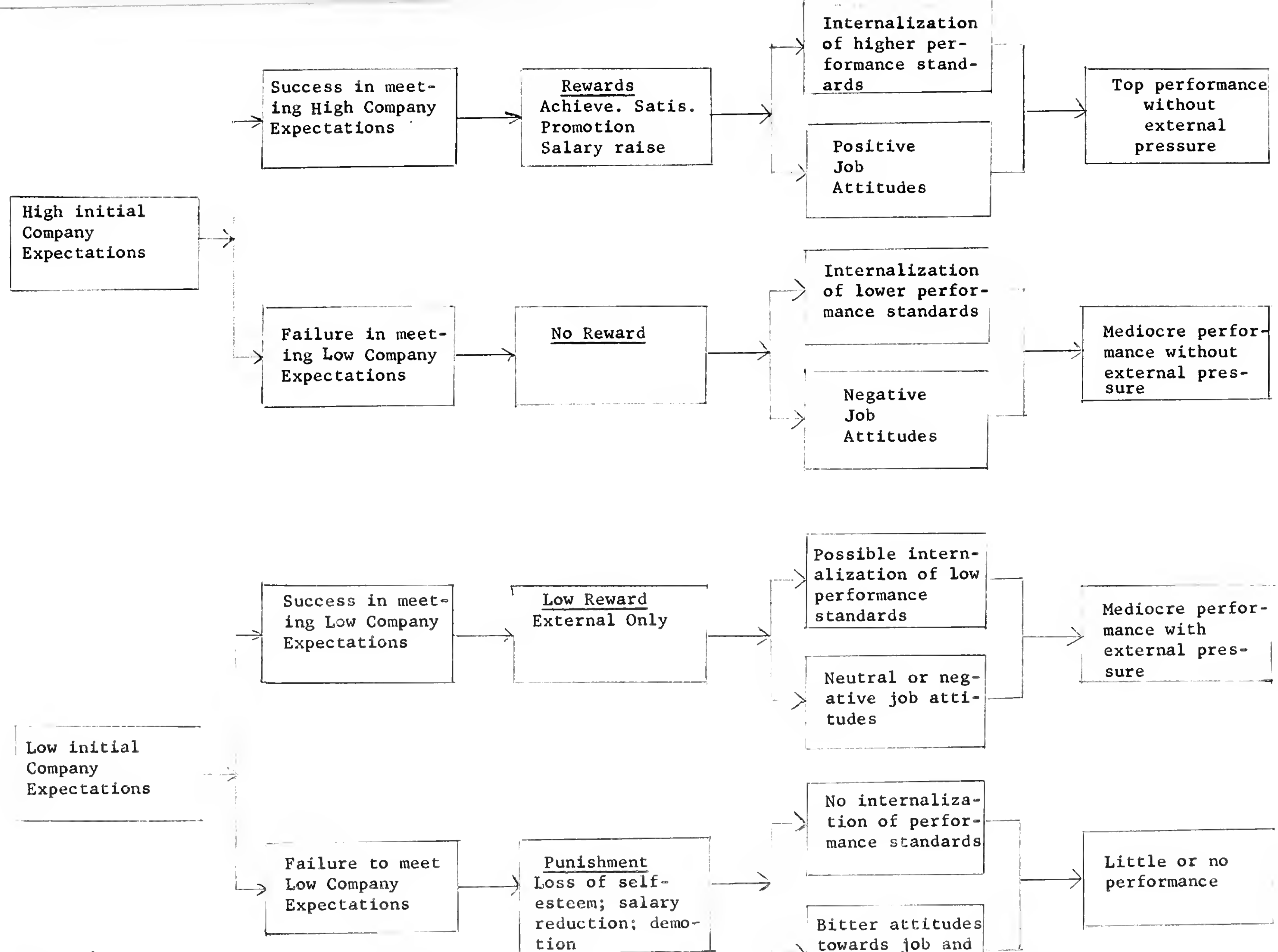

Figure 1.
The effects of initial company expectations on performance

positive job attitudes and high performance standards. The data are now available for exploring some of the postulated intervening relationships. Preliminary work has already suggested areas wherein the proposed model is over-simplified. For example, Company Expectations can be measured objectively, but the same job may be highly challenging for one man and routine for another, thus leading to achievement satisfaction for one and not the other. In order to adequately test the relationships suggested by the model, individual differences such as these must be taken into account.

REFERENCES

Berlew, D. E. and Hall, D. T. "Some determinants of early managerial success." Working Paper #81-64, Sloan School of Manangement, M. I. T., 1964a.

Berlew, D. E. and Hall, D. T. "The management of tension: some preliminary findings." Industrial Management Review, 6, No. 1, Fall, 1964b.

Bowlby, John. Maternal Care and Mental Health. Geneva: World Health Organization, 1951.

Gebhard, M. E. "Effects of success and failure upon the attractiveness of activities as a function of experience, expectations and need." Journal of Experimental Psychology, 1948, 38, pp. 371-388.

Kahn, R. L., Wolfe, D. M., Snoek, J. D. and Rosenthal, R. A. Organizational Stress: Studies in Role Conflict and Ambiguity. New York: Wiley, 1964.

Lewin, K. "Psychology of success and failure." Occupations, 1936, 14, pp. 926-930.

Rao, K. V. and Russell, R. W. "Effects of stress on goal setting behavior." Journal of Abnormal and Social Psychology, 1960, 61, No. 3, pp. 380-388.

Schein, E. H. "Management development as a process of influence." Industrial Management Review, May 1961, pp. 59-77.

Schein, E. H. "How to break in the college graduate." Harvard Business Review, 1964, 42, No. 6, November-December.

Scott, J. P. "The effects of selection and domestication on the behavior of the dog." Journal of the National Cancer Institute, 1954, 15, pp. 739-758.

Stedry, A. and Kay, E. "The effects of goal difficulty on performance." Mimeo., Behavioral Research Service, General Electric Company, 1962.